

Strategies for Successful Fundraising

First and foremost, it is important to develop a diverse set of income streams, including, but not limited to, members or supporters, major/patron donors, foundations, agencies, corporations, events, bequests, stock gifts, and the like. As with a natural ecosystem, diversity in funding is key to the health and sustainability of a nonprofit organization. Also, it is valuable to have a diverse set of people engaged in stewarding and soliciting donors. Therefore, it is important to involve staff, Board members, existing donors, and other outside advocates in fundraising efforts.

Second, it is important to keep the following five principles in mind (courtesy of fundraising guru Kim Klein). These will help ensure the success and sustainability of an organization's fundraising efforts, as well as those doing the asking for the organization:

- 1) Remember, the answer is always “no” if one does not ask – so ask;
- 2) Fundraising is a volume business: the more one asks, the more one receives; so ask a lot, but in a strategic manner;
- 3) Be ok with the answer “no” because it is a common response. Remember, “no” may have little or nothing to do with the quality of your pitch or the value of your organization. And hearing “no” does not mean the organization cannot ask that person again later (unless that wish is clearly stated);
- 4) Those doing the asking should be clear about, and confident in, the organization's value proposition. This helps ground and inspire those making “the ask” and gives them the resilience to make other asks even after hearing “no” from someone;
- 5) Always say thank you for a gift, both because it helps build loyalty with the donor and it provides a mechanism for the organization and individual(s) who made “the ask” to celebrate their success.

As part of Principle #4 above, it is important to develop a *case statement*, which serves as the strategic framework around which all of an organization's fundraising efforts should be designed (appeals, grants, etc.). As well, case statements provide a great outline and common messaging for telling an organization's story – or selling its value. A case statement should include:

- 1) why the organization exists (the nonprofit's mission, or what problem or opportunity the organization is addressing);
- 2) what the organization does to address this problem or opportunity (the nonprofit's goals, objectives and activities);
- 3) how the organization achieves these goals (the nonprofit's programs and strategies);
- 4) how long the organization has been addressing the problem or opportunity (the nonprofit's history);
- 5) what resources the organization has (financial, human and community resources).

Next, it is important to be clear about the purpose of each fundraising plan, campaign, or activity, as each purpose will likely entail a different approach. There could be, and often are, different strategies for each of the following purposes: gain new donors, move existing donors to next level of giving (“moves management”), build the organization’s public profile, establish or enhance the organization’s place or participation in a community (geographically or thematically), or intentionally and uniquely thank donors for their support.

Similarly, all fundraising activities should be as personalized as possible to help build a relationship with the donor. This is especially true for major or patron donors, foundations, agencies or businesses. *[NOTE: for smaller organizations with fewer staff, it may be too much work to establish a personalized relationship with donors who do not provide major levels of support.]*

This relationship building process should include:

- 1) developing a unique, individualized strategy for stewarding that relationship.
- 2) making regular and individualized (or unique) contact with these donors, ideally including one or more personal visits annually;
- 3) creating a sense of community, or “family” connection, between the organization and its donor base.

Equally important, it helps to approach fundraising as simply another form of communications and networking, for two reasons.

First, staff, Board members and others who engage in fundraising are typically more comfortable telling a story or networking than they are asking for money. And really, except for the actual ask, the process of prospecting, soliciting and/or stewarding a donor involves communicating about an organization and/or networking to expand the reach and connections of the organization.

Second, thinking of fundraising as a form of communications helps an organization adopt the practice of infusing and incorporating fundraising into its communications and program plans and activities – a practice that will lead to a more holistic, coordinated, and successful fundraising program (and organization).

Finally, it is important to not just ask donors/supporters for money, but to engage them as a valuable resource for the nonprofit. This is how the process of fundraising can, and should, be expanded to include “developing” not just the financial resources of an organization, but also its expertise, skills and community resources. *[NOTE: this is why the position title for most lead fundraising staff is “Development Director.”]* The chances are very good that donors can, and are willing, even happy, to, help fulfill other organizational needs:

- 1) identify donor prospects and other contacts;
- 2) provide needed expertise, skills, and/or ideas;
- 3) host events;
- 4) serve as a spokesperson for the nonprofit.